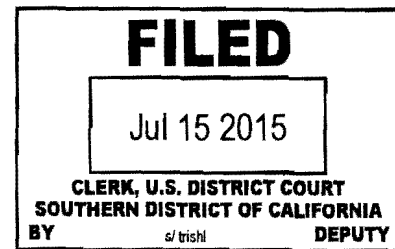


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12  
13 **UNITED STATES DISTRICT COURT**  
14 **SOUTHERN DISTRICT OF CALIFORNIA**

15 UNITED STATES OF AMERICA,

16 Plaintiff,

17 v.

18 ATLAS WOOD PRODUCTS, INC., (1)  
19 FRANCISCO RAMIREZ, (2)  
20 *Francisco Javier Ramirez*  
Defendants. *FR.*  
21 *EL*

Case No. 15CR '15 CR1828 LAB

INFORMATION

Title 18, United States Code, Sec. 1001(a)(3) - Use of False Writing or Document in a Matter concerning a Federal Agency; Title 7, United States Code, Sec. 7734(a) - Use of Counterfeit Stamp in Violation of Plant Protection Act

22 The United States Attorney Charges:

23 **ALLEGATIONS COMMON TO ALL COUNTS:**

24 **A. Defendants**

25 1. Defendant ATLAS WOOD PRODUCTS, INC. was a California  
26 corporation, located in San Diego, California. Defendant ATLAS WOOD  
27  
28

1 PRODUCTS, INC. operated a facility that manufactured, recycled, and  
2 repaired wooden pallets.

3 2. Defendant FRANCISCO RAMIREZ was president and owner of  
4 defendant ATLAS WOOD PRODUCTS, INC.. As president and owner, defendant  
5 FRANCISCO RAMIREZ supervised and had control over the manufacture,  
6 recycling and repair of wooden pallets. He also was responsible for  
7 ensuring compliance with all local, state and federal laws and  
8 regulations.  
9

#### 10 B. Statutory Framework

11 3. The Plant Protection Act (7 U.S.C. § 7701 et seq.) authorizes  
12 the Secretary of Agriculture to "certify as to the freedom of plants,  
13 plant products, or biological control organisms from plant pests or  
14 noxious weeds, or the exposure of plants, plant products, or  
15 biological control organisms to plant pests or noxious weeds,  
16 according to the phytosanitary or other requirements of the countries  
17 to which the plants, plant products, or biological control organisms  
18 may be exported." 7 U.S.C. § 7718.  
19

20 4. Wooden pallets are the most common type of wood packaging  
21 material ("WPM"). WPM is pervasive in international trade due to its  
22 use in storing and preventing damage to commodities. WPM is also a  
23 recognized pathway for the introduction and spread of pests in  
24 international commerce. Highly destructive wood borers and beetles  
25 have been introduced into countries through the importation of  
26 untreated WPM.  
27  
28

1        5. To limit the entry and spread of pests in international  
2 trade, the International Plant Protection Convention ("IPPC") approved  
3 on March 15, 2002, the International Standards for Phytosanitary  
4 Measures: Guidelines for Regulating Wood Packaging Material in  
5 International Trade, or ISPM-15. ISPM-15 requires WPM, including  
6 pallets, to be heat treated or chemically treated and to be stamped  
7 with an ISPM-15 stamp of compliance.

8        6. Pursuant to the Plant Protection Act, the Secretary of  
9 Agriculture authorizes domestic industry organizations to issue ISPM-  
10 15 stamps to facilities such as defendant ATLAS WOOD PRODUCTS, INC.  
11 that manufacture, recycle, and repair wooden pallets for use in  
12 international commerce. 7 U.S.C. § 7751(a).

13        7. Regulations promulgated by the Secretary of Agriculture  
14 pursuant to the Plant Protection Act define an ISPM-15 stamp, as "[a]  
15 certificate issued by a representative of the concerned agricultural  
16 or forestry industry under the terms of a written agreement with the  
17 Animal and Plant Health Inspection Service, giving assurance that a  
18 plant product has been handled, processed, or inspected in a manner  
19 required by a foreign government." 7 C.F.R. §§ 353.1, 353.7. The  
20 regulations provide that "[a]n industry-issued certificate includes an  
21 ISPM-15 quality/treatment mark." Id.

22        8. Pursuant to these rules, the authorization to issue ISPM-15  
23 stamps is granted by the U.S. Department of Agriculture's Animal and  
24 Plant Health Inspection Service (ALSC), to the American Lumber  
25 Standards Committee, a domestic industry non-profit organization  
26  
27  
28

1 comprised of manufacturers, distributors, users, and consumers of  
2 lumber.

3 9. Stamps used on pallets that bear the ISPM-15 symbol, the  
4 trademark of an agency accredited by the ALSC to conduct audits of  
5 manufacturing facilities, and U.S. facility numbers indicate that the  
6 pallets were manufactured or recycled and treated in compliance with  
7 IPPC standards.

8 10. Section 7734(a) of the Plant Protection Act imposes a  
9 criminal penalty on "[a] person that knowingly violates this chapter,  
10 or knowingly forges, counterfeits, or, without authority from the  
11 Secretary, uses, alters, defaces, or destroys any certificate, permit,  
12 or other document provided for in this chapter." 7 U.S.C. § 7734(a).

13 11. Under Title 18 of the Federal Criminal Code, a person who  
14 "within the jurisdiction of the executive, legislative, or judicial  
15 branch of the Government of the United States, knowingly and willfully  
16 . . . makes or uses any false writing or document knowing the same to  
17 contain materially false, fictitious, or fraudulent statement or  
18 entry," is subject to criminal penalties. 18 U.S.C. § 1001(a)(3).

19 12. The United States Department of Agriculture is a federal  
20 department of the executive branch of the U.S. government. Regulation  
21 of wooden pallets such as those manufactured, recycled and repaired by  
22 ATLAS WOOD PRODUCTS, INC. falls within the jurisdiction of the U.S.  
23 Department of Agriculture.  
24  
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28

**C. Factual Background**

1  
2 13. On or about June 14, 2005, the ALSC issued an ISPM-15 stamp,  
3 with the markings "US-4679 HT," to defendant ATLAS WOOD PRODUCTS, INC.  
4 Defendant ATLAS WOOD PRODUCTS, INC. was authorized to sell wooden  
5 pallets bearing this stamp for use in international commerce, as long  
6 as the wood pallets were properly heat treated.

7  
8 14. On or about September 26, 2005, the ALSC issued an  
9 additional ISPM-15 stamp, with the markings "US 163523," to defendant  
10 ATLAS WOOD PRODUCTS, INC.. Defendant ATLAS WOOD PRODUCTS, INC. was  
11 authorized to sell wooden pallets bearing this stamp for use in  
12 international commerce, as long as the wooden pallets were properly  
13 heat treated.

14 15. On or about May 30, 2012, defendant ATLAS WOOD PRODUCTS,  
15 INC. was no longer authorized to use stamp US 163523. In or about June  
16 2012, defendant FRANCISCO RAMIREZ obtained a counterfeit stamp with  
17 identical markings "US 163523."  
18

19 16. On or about June 14, 2012, defendant ATLAS WOOD PRODUCTS,  
20 INC. was no longer authorized to use stamp "US-4679 HT." In or about  
21 June 2012, defendant FRANCISCO RAMIREZ obtained a counterfeit stamp  
22 with identical markings "US-4679 HT."

23 17. From June 28, 2012, until September 23, 2013, defendant  
24 FRANCISCO RAMIREZ knowingly marked and caused wooden pallets to be  
25 marked with the counterfeit stamps "US-4679 HT" and "US 163523," even  
26 though those pallets had not been heat treated. Defendant FRANCISCO  
27 RAMIREZ caused the pallets bearing the counterfeit stamps to be sold  
28

1 to numerous customers in the United States for use in interstate  
2 commerce. Defendant FRANCISCO RAMIREZ acted without authority from the  
3 Secretary of Agriculture.

4 **COUNT ONE - Use of False Writing or Document**

5 18. From on or about June 28, 2012, until on or about September  
6 23, 2013, defendant ATLAS WOOD PRODUCTS, INC., through its agents and  
7 employees acting within the scope of their authority and on behalf of  
8 defendant ATLAS WOOD PRODUCTS, INC., in the Southern District to  
9 California, did knowingly and willfully make and use a false writing  
10 or document, knowing the same to contain a materially false,  
11 fictitious or fraudulent statement or entry; to wit, that the wooden  
12 pallets defendant ATLAS WOOD PRODUCTS, INC. sold to its customers had  
13 been heat treated, in compliance with IPPC standards.  
14

15 19. Defendant ATLAS WOOD PRODUCTS, INC. knew that ISPM-15 stamps  
16 applied to its wooden pallets were counterfeit and materially false  
17 representations, in that the pallets in fact had not been heat  
18 treated.  
19

20 All in violation of Title 18, United States Code, Section  
21 1001(a)(3).

22 **COUNT TWO - Use of Counterfeit Stamp in**  
23 **Violation of Plant Protection Act**

24 20. Paragraphs 1 through 17 are repeated and realleged as though  
25 fully incorporated herein.

26 21. From on or about June 28, 2012, until on or about September  
27 23, 2013, in the Southern District of California, defendant FRANCISCO  
28

1 RAMIREZ knowingly used counterfeit ISPM-15 stamps, by applying and  
2 directing their application to wooden pallets manufactured, recycled  
3 or repaired by defendant ATLAS WOOD PRODUCTS, INC., without authority  
4 from the Secretary of Agriculture.

5 22. From on or about June 28, 2012, until on or about September  
6 23, 2013, in the Southern District of California, defendant FRANCISCO  
7 RAMIREZ knowingly sold and caused the sale of wooden pallets with the  
8 counterfeit ISPM-15 stamps to customers who had requested heat-treated  
9 pallets for use in international commerce.  
10

11 All in violation of Title 7, United States Code, section 7734(a).  
12

13 LAURA E. DUFFY  
United States Attorney

14 7/15/2015  
15 DATED

16 ANNE KRISTINA PERRY  
Assistant U.S. Attorney

17 7/15/2015  
18 DATED

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